102-07108/

LETTER OF TRANSMITTAL

Regina, Saskatchewan

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of Saskatchewan

Your Honour:

I have the honour to submit the annual report of the Saskatchewan Communications Network Corporation (SCN) for the year ended March 31, 2002, including financial statements, in accordance with *The Communications Network Corporation Act*.

I have the honour to be, your obedient servant,

Joanne Crofford
Minister Responsible for SCN

MESSAGE FROM THE BOARD CHAIR

This past year at SCN has been one of change, marked most notably by the departure of long-time President and CEO, Jim Benning, who retired in the summer of 2001.

With a new President at the helm comes the opportunity to reflect on the past, assess achievements and determine SCN's path for the future.

Television has an enormous impact on shaping our culture. As a public broadcaster, the programming philosophy of SCN reflects the seriousness with which SCN takes this responsibility.

SCN has always used television as an instrument to enhance knowledge and communication. Whether delivering informational programming on the Broadcast Network or credit and non-credit classes on the E-Learning Network, SCN continues to harness the capabilities of this powerful medium to provide programs that enrich the lives of the people in our communities.

Of course, SCN is more than television.

Through its research of emerging technologies, SCN has participated in many pilot projects, which have resulted in the development of alternative ways of delivering information and learning opportunities.

SCN's Digital Satellite Network, a combination of satellite and telephone communications, has enabled SCN to participate in the provincial government's CommunityNet initiative. Thanks to this network, close to 200 Saskatchewan communities now have access to high-speed Internet that otherwise would not have been available.

I look forward to continuing in this positive direction as SCN begins a new and exciting chapter in its history.

Larry Symes
Chair, SCN Board of Directors

CORPORATE PROFILE

SCN was created in 1989 by an act of the Legislature to provide increased access to information for the people of the province. Through its interrelated networks, SCN provides the people of Saskatchewan with cost-effective informational and cultural programming and training opportunities.

The SCN E-LEARNING NETWORK delivers post secondary and high school classes to over 180 classrooms in more than 150 communities, and is available to businesses and organizations for satellite conferencing and professional development opportunities.

The SCN BROADCAST NETWORK operates on Saskatchewan's cable, wireless and satellite television systems and delivers a wide variety of informational programming that highlights the rich culture and heritage of our region and our country.

SCN TECHNOLOGY SERVICES uses satellite-delivered digital video compression (DVC) technology to deliver SCN's E-Learning and Broadcast Network programs. Satellite technology is also used to provide high-speed Internet access to rural and remote communities as part of the provincial CommunityNet initiative, and to broadcast the proceedings of the Saskatchewan Legislature to communities throughout the province.

SCN EXECUTIVE TEAM

David Debono, President and CEO

Richard Gustin, Executive Director, Programming

Myrna Martyniuk, Executive Director, E-Learning

Twyla MacDougall, Director, Finance and Human Resources

David Stanchuk, Manager, Technology

Leanne Jarocki, Manager, Communications

Jim Johns, Manager, Information Systems

Rod Allan, Manager, Business Development

BOARD OF DIRECTORS

Larry Symes, Chair

Terry Paley, Vice Chair

Angie Gèlinas

Diana Milenkovic

Chad Morin

Gayle Schuster

CORPORATE DIRECTION

SCN contributes to the social, cultural and economic well-being of the people of Saskatchewan by encouraging life-long learning through the creative use of technologies.

The operation of SCN is guided by the following goals:

- To support access to educational and cultural programs to meet the needs of Saskatchewan people;
- To encourage the development of Saskatchewan, regional and Aboriginal content in SCN broadcasting and education delivery;
- To provide infrastructure for distance education and learning;
- To stimulate the use and development of distance learning programs and technologies;
- To support the film and video industry in Saskatchewan and region.

As a public broadcaster and provider of access to life-long learning, SCN believes in being accountable for its actions and the management of its resources. The staff of SCN strives to work collaboratively with our partners in the pursuit of excellence in all we do.

2001/2002 HIGHLIGHTS

APRIL 2001

- Saskatchewan Social Services uses SCN's E-Learning Network to present budget information to 386 employees in 20 communities throughout the province.
- SCN begins re-broadcasting the proceedings of the third sitting of the 24th Legislature. SCN records the original broadcast from the Saskatchewan Legislative Network, and re-broadcasts the proceedings at midnight and again the following morning.

MAY 2001

- The SCN Broadcast Network celebrates 10 years of bringing quality programming to Saskatchewan viewers with an anniversary reception at the Yorkton Short Film and Video Festival.
- SCN sponsors the professional development series *Control, Conflict and Courseware*, which focuses on implementing information technology into curriculum for individuals interested in distance education. 85 registrants from the post secondary education sector in 10 communities participated in the seminars.
- Saskatchewan Association of Health Organizations delivers an extensive Aboriginal Awareness Training seminar to employees in the province's health districts. The course was broadcast to 270 participants in 14 communities.

JUNE 2001

- SCN begins installation of 196 Digital Satellite Network (DSN) receiving sites as part of the province's CommunityNet initiative.
- The SCN Broadcast Network rebroadcasts the proceedings of the Standing Committee on Healthcare, hearings on the Final Report of the Commission on Medicare (the Fyke Report).
- Award-winning programs in June: Oscar nominated *Legacy*, a feature-length documentary by US filmmaker Todd Lending.

JULY 2001

- SCN moves to new office space on the third floor of the CBC Building. This move allows SCN to house its entire staff in one location.

AUGUST 2001

- SCN welcomes David Debono as new President and CEO.
- SCN presents an SCN site coordinator training event via satellite to 100 participants in 50 communities.
- SCN establishes a consortium consisting of the two provincial universities and the RCMP, which allows SCN to negotiate bulk purchase discounts and acquire software licenses and training on behalf of participating institutions.

SEPTEMBER 2001

- SCN provides face-to-face training for high school teachers teaching in the Interactive Televised Instruction environment. This one-day training session introduces teachers to new technologies that can be combined with the television medium as teaching tools.
- The SCN Broadcast Network launches a new fall season of programming with a continuing commitment to providing quality programs that examine the world from a Saskatchewan perspective.

OCTOBER 2001

- SCN broadcasts the Emmy Award winning *13 Seconds: The Kent State Shootings*. Produced by Regina's Partners in Motion, the program has won numerous awards, including Best of Saskatchewan at the Yorkton Short Film and Video Festival, six different awards at the 2000 Saskatchewan Showcase awards and a Bronze award in the Best Documentary category at the Houston International Film Festival.
- SCN sponsors professional development series *Staying the Course: Retaining Online Students* for individuals interested in distance education. 70 registrants from the post secondary education sector in 19 communities participated in the seminars.

NOVEMBER 2001

- The SCN Broadcast Network presents a special live presentation of the Remembrance Day ceremonies from Saskatchewan Place in Saskatoon.
- Saskatchewan Health delivers *Health Service and Outcome Indicators: Planning Tools* to 497 participants in 31 communities via SCN.
- SIAST uses SCN's closed circuit network to simultaneously launch their Virtual Campus in the four SIAST campuses.
- SCN launches its New Ideas initiative, calling for proposals from Saskatchewan's film and video community. The initiative is geared toward encouraging Saskatchewan's film and video producers to explore new production models, and means of using technology to produce programs that speak to the needs and interests of a regional audience.

DECEMBER 2001

- Dr Alison Hayford is awarded the Garth Ferguson Award, which recognizes excellence in televised teaching at the post secondary level.
- Eli Lilly Canada hosts the training program *Treatment of Type2 Diabetes: New Therapies* to 12 communities via the SCN E-Learning Network.

JANUARY 2002

- Saskatchewan Health delivers *Smoking Cessation Strategies and Programs* to 220 participants in 22 Saskatchewan communities. Health Canada works with SCN and Saskatchewan Health to broadcast the live event to a further 17 communities across Canada.
- Saskatchewan premieres in January: *All for One: The Story of Canada's All American Baseball Girls*, produced by Regina's Cooper Rock Pictures; *To the Health of Us All*, produced by Incandescent Films, Fort Qu'Appelle; *Men of Valour*, produced by Partners in Motion, Regina.

FEBRUARY 2002

- SCN hosts an open house for its friends, partners and stakeholders to unveil the new SCN logo and new on-air graphics.
- SCN participates for the sixth year in the Faraday Lecture. The live lecture from London, England, is broadcast to all SCN E-Learning sites.
- SCN works with the Saskatoon East School Division to develop a low cost studio and signal transportation to pilot a distance class to students in four schools within that school division.

MARCH 2002

- Saskatchewan premieres in March: *Eyewitness to War* and *The Nicole Watt Story*.
- The Representative Board of Saskatchewan Pharmacists uses SCN's satellite conferencing to communicate with its membership throughout the province.
- Saskatchewan Health and Saskatchewan Social Services sponsor *Integrative Processes in Saskatchewan* on SCN's E-Learning Network. The program is broadcast to over 27 communities involving 640 participants.

The SCN Broadcast Network is able to provide programs that examine issues, concerns and interests of the residents of Saskatchewan from a regional perspective.

SCN BROADCAST NETWORK

Launched in 1991, the SCN Broadcast Network operates under license from the Canadian Radio-television and Telecommunications Commission (CRTC), and delivers a wide range of informational and educational programming.

PROGRAMMING APPROACH As more and more of Canada's commercial broadcasters make cutbacks to their regional bureaus, the opportunity for awareness and discussion of news, issues and interests of the people of this region has all but disappeared. A predominant number of the new specialty channels originate from places other than Saskatchewan, leaving a vast portion of this country with little or no representation.

By forming strategic alliances with education institutions, government departments, professional and non-profit organizations, as well as the province's film and video community, SCN is able to provide programs that examine issues, concerns and interests of the residents of Saskatchewan from a regional perspective.

As well as ensuring financial efficiency, this approach has enabled SCN to become an economic driver for the province's film and video industry, and has resulted in programming that highlights the rich culture and heritage of our region.

The following principles apply to SCN's Broadcast Network activities:

- SCN encourages and supports programs that reflect this region's unique culture and identity.
- SCN believes in the importance of providing the people of our region with a window on the world by delivering television programming that fosters personal and societal growth and well-being.
- SCN strives to keep people in touch with their communities through the delivery of television programs that reflect the shared ideals of people of Saskatchewan and region.

PROGRAM CONTENT SCN's program inventory provides a blend of curriculum support, social awareness, agriculture, health, arts and drama, environment,

SAGWA, THE CHINESE SIAMESE CAT

THE TOY CASTLE

GET A LIFE

THE SHARING CIRCLE

WINGS OVER CANADA

science and technology, and children/family programming for scheduling throughout the broadcast day. This inventory is continually expanded and enhanced through consultation and attention to viewer feedback.

Priority areas identified by the Corporation are:

- Saskatchewan and regional productions
- Children's programming
- Curriculum support programming
- Programming that offers a regional perspective on topical issues

Productions are evaluated on:

- Content relevance
- Available budget resources
- Suitability to audience needs
- Production value

BROADCAST DISTRIBUTION SCN is broadcast over provincial cable, wireless, and direct-to-home satellite systems to more than 250 communities with a potential viewership of approximately 750,000 individuals. SCN's Canadian content, as designated in its CRTC licence, is at least 60 percent over the entire broadcast day and 50 percent during the evening broadcast period.

SCN's master control is operated through contractual agreement by the Division of Media and Technology, University of Saskatchewan, Saskatoon.

In 2001/2002, the Broadcast Network was distributed via Telesat's Anik E2 Satellite. SCN is on-air from 8:00am to midnight every day.

SASKATCHEWAN PRODUCTIONS

SCN is committed to the development of the film and video industry in our region. A strong industry generates direct economic benefits for the province and region. Partnerships with the Saskatchewan film and video industry stimulate the economy by providing industry development and jobs for many talented and creative individuals.

In partnership with Saskatchewan film and video producers, SCN has supported the development of a new, green, high-profile industry that trains and employs young people. SCN's involvement has nurtured many new young companies that are now able to successfully compete in the national and international marketplaces.

SCN stimulates original production through the acquisition of broadcast licences. The producer and content stakeholders further contribute financially to support the project. This process results in a finished production with a greater value than the SCN contribution. For every dollar invested by SCN, the film and video industry generates close to 10 dollars.

A further benefit is the attraction of Canadian Television Fund and Telefilm funding dollars, facilitated by SCN's broadcast licence and venue for initial broadcast.

As of March 31, 2002, SCN participated in over 500 Saskatchewan-based projects in various phases of production; to date, over 250 of these have been completed and are available for broadcast.

SCN's participation in original Saskatchewan productions provides the Broadcast Network with a diverse schedule, capturing Saskatchewan's unique culture. Following are some examples of Saskatchewan productions on SCN.

Canadian Women of Courage: The Untold Stories of WW II is a series developed by Cooper Rock Pictures Inc. of Regina in partnership with SCN and History Television. Two additional documentaries in the series were delivered to SCN this year: *Nurses on the Battlefield* and *Eyewitness to War*. *Eyewitness to War* features Regina's Gladys Arnold. In her 80s, Ms. Arnold wrote the book *One Woman's War* and received France's highest honour, the Chevalier de la Légion D'Honneur.

Disasters of the Century is a series of one-hour documentaries chronicling disasters from around the world, including Regina's Tornado of 1912, The 1914 Hillcrest Mine Disaster and the 1954 Moose Jaw Air Crash. The series was produced by Regina's Partners in Motion.

Incredible Story Studio, the continuing, internationally successful series, makes kids' stories into movies. Produced by Saskatchewan's Minds Eye Pictures and Vérité Films, this fifth season adds another 13 episodes to the series.

DISASTERS OF THE CENTURY

PRAIRIE BERRY PIE

INCREDIBLE STORY STUDIO

To the Health of Us All is produced by Fort Qu'Appelle's Incandescent Films. Shirley Douglas narrates this one-hour documentary profiling Canadian expertise in tuberculosis control, which is extended internationally as part of international aid.

ABORIGINAL PROGRAMMING

SCN continues to attach priority to developing and broadcasting Aboriginal programming, particularly from Saskatchewan and region.

SCN has pre-licensed *Christmas at Wapos Bay*, produced by Dark Thunder Productions, Saskatoon. This is a family adventure that explores the spirit of northern Saskatchewan, showing children gaining new respect for their environment, culture and elders.

SCN continues to pre-license and broadcast local and regional series such as *Indigenous Circle* and *Sharing Circle*. SCN also obtained the *Venturing Forth* series celebrating the contributions of Canada's Aboriginal peoples to this country's economic growth.

CHILDREN'S PROGRAMMING

SCN is committed to providing non-violent educational television programming for children. SCN schedules blocks of children's programming each morning and afternoon.

SCN is involved in a number of Canadian children's projects including:

- *Toy Castle*
- *Ball Town*
- *Prairie Berry Pie (SK)*
- *Get a Life*
- *Be Alert Bert*
- *Little Bear*

PARTNERS IN EDUCATION

SCN provides two hours of network time each school day to deliver K-12 programming directly to the classroom. To do this, SCN works closely with the Curriculum and Instruction Branch of Saskatchewan Learning in evaluating, acquiring and scheduling learning resources to support K-12 curricula.

ACQUISITIONS

SCN has acquired many excellent documentaries and series from Canada and around the world, including:

- *A Force More Powerful*
- *Heartbeat*
- *Wings Over Canada*
- *The Shape of Life*
- *The Long Walk of Nelson Mandela*
- *Cosmic Connections*
- *Route 66: Return to the Road*
- *Danger: Mines*
- *Sagwa: The Chinese Siamese Cat*
- *The Origin of Easter*
- *Finding the Future*

SCN continues to identify media literacy as an important issue and has acquired a substantial inventory of related programming from both Canada and the United States.

Some recent examples are:

- *The Electronic Storyteller*
- *Frocks, Woks and Gossip*
- *The Killing Screens*
- *Tough Guise*
- *Shooting the War*

SHORT PROGRAMS AND INTERSTITIALS

An important component in establishing a distinctly Saskatchewan flavour on the SCN Broadcast Network involves the creation of new Saskatchewan short programs of one to three minutes, known as interstitials. These programs are used in the breaks between regularly scheduled programs.

SCN works with its educational partners to provide education and training opportunities to Saskatchewan residents in or near their home communities.

E-LEARNING NETWORK

SCN's E-Learning Network comprises on-line, television, audio conferencing, streaming and other technologies. By investigating the many technology options, SCN works with its educational partners to provide accessible, interactive and cost-effective education and training opportunities to Saskatchewan residents in or near their home communities.

The University of Saskatchewan, the University of Regina, the Saskatchewan Indian Federated College (SIFC), the Saskatchewan Institute of Applied Science and Technology (SIAST), regional colleges, high schools and government departments work closely with SCN to deliver credit classes through live televised, audio or Internet-based technologies to more than 230 classrooms in nearly 200 Saskatchewan centres.

As well as providing networks for delivery, SCN:

- coordinates the distribution of programs from educational institutions, businesses and professional organizations;
- evaluates technologies and assists in developing delivery models;
- provides technical and administrative support during implementation;
- assists in acquiring required hardware and software;
- provides help desk services and
- participates in the evaluation of projects.

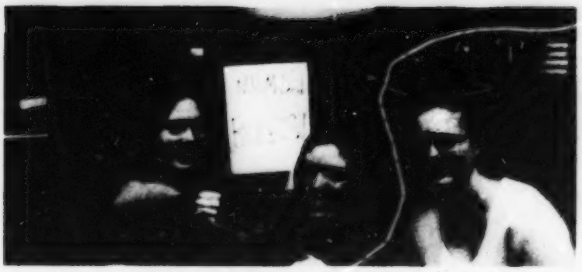
By being external to the traditional educational system, SCN is able to act as an arbiter and coordinator in areas of scheduling and network usage between the many institutions.

INTERACTIVE TELEVISED INSTRUCTION As one component of SCN's distance education services, SCN's closed circuit satellite-based network provides participants with immediate access to an instructor's classroom from a distance.

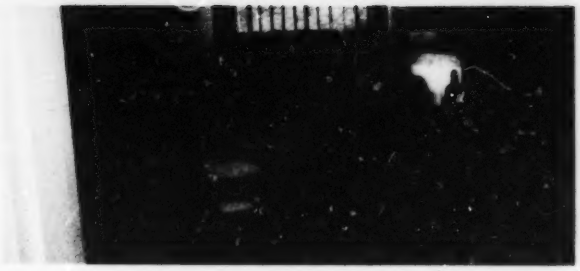
Regional colleges manage SCN centres in over 50 communities and provide learner support and counselling for students. In addition, there are 121 elementary and high schools, four SIAST sites, and 15 community sites in Saskatchewan equipped to receive one-way video and two-way audio live, interactive programming by satellite.

In a typical course, an on-air teacher provides instruction to an on-site classroom along with scheduled live, interactive sessions with the remote classrooms. Students at a distance view the class on a television monitor and can communicate with the teacher via telephone, fax machine and Internet. On-line activities or materials are used to supplement many of the televised classes. Receiving site facilitators provide guidance for their local students, and liaise with the on-air teacher.

ONLINE SERVICES In 2001/2002, SCN worked with the University of Regina, the RCMP and several of the province's regional colleges and school divisions in the delivery of online distance education projects. SCN's role included evaluating



CALCULUS STUDENTS APPLAUD THEIR TEACHER!



DISTANCE LEARNING STUDENTS TAKE INSTRUCTION FROM A TEACHER VIA SATELLITE

technologies and assisting in developing delivery models; negotiating and maintaining software licenses; providing and maintaining network servers; providing technical and management support during implementation as well as help desk services to instructors and instructional designers; and participating in the evaluation of projects. On-line applications employed by these projects included:

- WebCT, an application that provides a set of educational and administrative tools that teachers use to design, create and deliver courses over the Internet.
- Classpoint, an application that provides Internet-based video-conferencing, allowing students to view each other and share projects on-line.

MULTI-MODE SERVICES SCN supports the delivery of multi-mode courses to expand the delivery of credit courses and to maximize financial resources. Formats include a combination of televised and on-line systems as well as print, face-to-face, repackaged video and audio conferencing.

SCN provides the organization, scheduling and technical support behind educational use of two 32-port telephone conferencing bridges in the province, an asset maintained by the Saskatchewan Property Management Corporation (SPMC). The bridges are made available to SCN's education partners for off-campus "audio only" classes and as a supplement to televised classes.

POST SECONDARY CREDIT PROGRAMS Televised post secondary courses are prioritized by the provincial Distance Education Program Review Committee (DEPRC) based on SCN's course development funds. In 2001/2002, 44 post secondary credit courses were delivered by SCN. In 2001/2002, 2479 registrants in 76 communities participated in SCN-delivered, televised or multi-mode, post secondary classes.

In partnership with the University of Regina and Southeast, Cypress Hills and Parkland Regional Colleges, SCN was involved in a pilot project designed to establish and evaluate a new model of network learning in rural Saskatchewan. Learning stations were established in Estevan, Weyburn, Swift Current and Yorkton. The Southeast Distance Education Project was completed in June 2001.

SCN also continued working with the RCMP "Depot" Division in the development and implementation of a web-based distance education component to the traditional RCMP Cadet Training Program. In this project, cadets complete the required modules in their home communities prior to entry into the Academy. The program is accessed by recruiters and cadets from across Canada.

HIGH SCHOOL CREDIT PROGRAMS During 2001/2002, SCN delivered 10 live, interactive televised secondary school courses to high schools in 57 communities. Nine of these courses were coordinated by the Saskatchewan Government Correspondence School and offered by Campbell Collegiate in Regina, Viscount's School of the Future and Swift Current Comprehensive High School.

The classes allow rural schools to integrate distance education methodologies with traditional classroom practice, expanding the opportunities and instructional resources for their students.

SCN also worked with the Saskatoon East School Division and Clavet Composite School to develop and pilot a model for school divisions interested in providing classes from a distance to students within their own division.

In February 2002, Clavet High School began to offer Calculus 30 to 24 students located in four schools within the division. SCN provided assistance and support to the teacher in adapting the course to the various technologies. The pilot will be evaluated upon completion.

SCN-DELIVERED CREDIT COURSES 2001/2002 APRIL 30, 2002

PROGRAMMER	REGISTRATIONS	# OF SITES	HOURS
POST SECONDARY			
UNIVERSITY OF REGINA			
Biology 100	32	10	39
Classics 200	60	18	39
Cree 100 SIFC	87	22	39
Cree 101 SIFC	54	15	39
Ed Psych 322 SIFC	52	19	39
English 100 SIFC Semester One	65	23	39
English 100 SIFC Semester Two	79	22	39
English 110 SIFC	54	14	39
English 250	23	4	39
Human Justice 431	86	21	39
Music 100	88	19	39
Psychology 100	106	22	39
Psychology 220	76	16	39
Social Work 416	90	20	39
Sociology 215	82	21	39
SUBTOTAL U OF R 15	1034	266	585
PALLISER SIAST			
Accounting 122	98	35	18
Accounting 125	45	21	18
Administration 120	49	22	18
Administration 220	38	14	18
Administration 222	36	14	18
Administration 231	47	22	18
Administration 230	34	11	18
Business Communication 120	71	28	18
Business Communication 121	47	20	18
Comp 120	47	20	18
Comp 121	41	19	18
Economics 120	31	21	18
Economics 121	33	16	18
Finance 120	42	17	18
Law 220	39	14	18
Marketing 120	45	19	18
Statistics 120	50	16	18
KELSEY SIAST			
Kitchen Safety	13	6	9
Food Safety	12	4	9
Human Growth and Development	30	8	21
SUBTOTAL SIAST 20	848	347	345

PROGRAMMER	REGISTRATIONS	# OF SITES	HOURS
POST SECONDARY			
UNIVERSITY OF SASKATCHEWAN			
Anthropology 111.3 (audio/mixed mode)	30	4	13
Archaeology 112.3 (audio/mixed mode)	16	4	13
Certificates in Agriculture	150	12	28.5
Geography 101.3/111.3	59	13	39
Geography 102.3/112.3	47	10	39
History 151.3	54	11	39
Native Studies 110.6	117	19	78
Sociology 212.3 (audio/mixed mode)	13	4	13
U of S English 110.6	111	18	78
SUBTOTAL U OF S 9	597	95	340.5
HIGH SCHOOL			
VISCOUNT			
French 9	30	7	83
French 10	29	9	83
French 20	13	8	83
French 30	10	6	83
CAMPBELL			
Psychology 30	91	15	80
Law 30	90	16	80
Calculus 30	157	45	80
CLAVET			
Calculus 30	24	4	80
SWIFT CURRENT			
Entrepreneurship 30 (Semester One)	24	6	80
Entrepreneurship 30 (Semester Two)	37	8	80
SUBTOTAL HIGH SCHOOL 9	505	124	812
TOTAL 53	2984	832	2082.5

73 individual sites participated in post secondary classes

57 individual sites participated in K-12 classes

16 communities participated in both K-12 and post secondary classes

130 communities have participated in SCN-delivered classes during the 2001/2002 school year

NON-CREDIT PROGRAMS SCN also serves the education system by downlinking interactive satellite programs and redistributing them to receiving sites. The programs may be targeted to learners, educators or administrators.

TRAINING PROGRAMS SCN's closed circuit satellite network provides an economical system to help Saskatchewan businesses and organizations, government departments and public institutions deliver seminars, training programs, information sessions and public discussion forums to dispersed target audiences.

Programmers have utilized a number of presentation formats including guest speaker presentations, panel discussions, demonstrations, lectures and dramatizations. Slides, graphics and pre-produced videotaped programs have also been used to add visual interest and variety. An integral part of effective programs has been group activities and discussion at distant sites with on-air telephone question and answer sessions.

Although the principle delivery mode has been satellite delivery, SCN is actively involved in the development and use of new technologies to provide accessible, interactive and cost-effective delivery applications.

SCN DELIVERED NON-CREDIT PROGRAMS 2001/2002

DATE	EVENT	PARTICIPANTS	SITES
April	Saskatchewan Social Services – *Budget Briefing*	386	20
May	Professional Development Event – *Control, Conflict and Courseware*	85	10
May	Saskatchewan Legal Education Society – *The New Land Registration System*	100	13
May	Saskatchewan Association of Health Organizations – *Aboriginal Awareness Training*	270	14
August	SCN Site Management Training	100	50
October	Professional Development Event – *Staying the Course: Retaining Online Students*	70	19
November	Saskatchewan Health – *Health Service Outcome Indicators: Planning Tools for Health Boards*	497	31
November	SIAST Virtual Campus Launch	200	4
December	Eli Lilly Canada – *Treatment of Type 2 Diabetes: New Therapies*	200	12
January	Saskatchewan Health – *Smoking Cessation Strategies and Programs*	220 (Sask)	22 (Sask) 17 (Canada)
February	Faraday Lecture – *Smart Living @ Home with Technology*	60	10
February	Statistics Canada/Saskatchewan Council of Senior Federal Officials – *Information Technology Management: Framework for the Future*	60	5
March	Saskatchewan Health/Social Services – *Integrative Process in Saskatchewan*	640	27
March	Saskatchewan Legal Education Society – *Trial by Paper: Preparing Effective Affidavits*	100	9
March	Representative Board of Saskatchewan Pharmacists Membership Discussions	150	14
14	TOTAL	3,138	277

TECHNOLOGY SERVICES

SCN uses interrelated satellite-based networks and multimedia technologies to provide educational, informational and cultural programs and training opportunities to Saskatchewan residents.

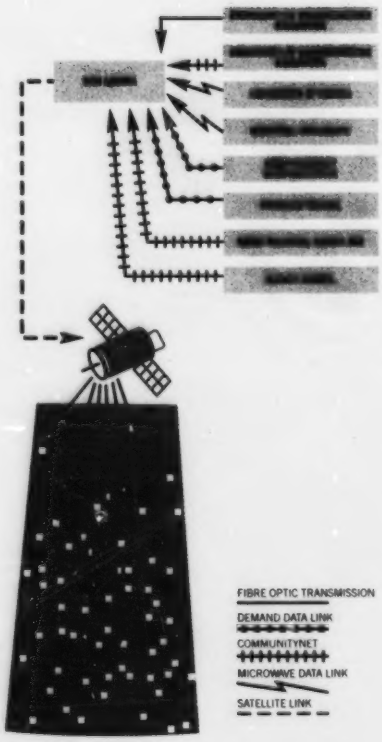
Video, audio and data signals from various locations are transported to SCN using a combination of data, fibre optic and microwave technologies. Located at the Regina Broadcast Centre, SCN's satellite uplink provides the primary facility for the distribution of SCN e-learning, broadcast and data networks. From the uplink, signals are transmitted to SCN's leased satellite capacity, on Telesat Canada's Anik E2 geosynchronous communications satellite. Anik E2 retransmits the signals to all corners of Saskatchewan from 36,000 km above the equator (at 107.3° West longitude).

SCN's satellite networks use equipment and technology based on the worldwide Digital Video Broadcasting – Satellite standard (DVB-S). DVB-S and state of the art video compression technology provides video/audio channels and data transmission capability to SCN on a full-time basis for E-Learning, Internet and Broadcast Network programs. Additional capacity is available on the DVB-S system and available for lease to other distribution systems to provide expanded and improved services. In 2001/2002, the Saskatchewan Legislative Assembly leased capacity to provide television coverage of its proceedings to 111 communities throughout the province.

E-LEARNING NETWORK The SCN E-Learning Network uses a closed-circuit satellite broadcast network where one-way video and audio is transmitted from classroom studios to more than 230 classrooms in nearly 200 Saskatchewan centres.

E-Learning Network programs originated from eight classroom studios around the province in 2001/2002: University of Regina, University of Saskatchewan (two studios), SIAST Palliser Campus, Campbell Collegiate (Regina), Clavet Composite School, Swift Current Comprehensive and Viscount School. Other studios and locations can be connected to SCN's network as required.

The E-Learning Network also uses SCN servers and technical support to provide agencies or institutions with access to Learning Management Systems that are used to deliver classes and provide supplementary course information via the Internet.

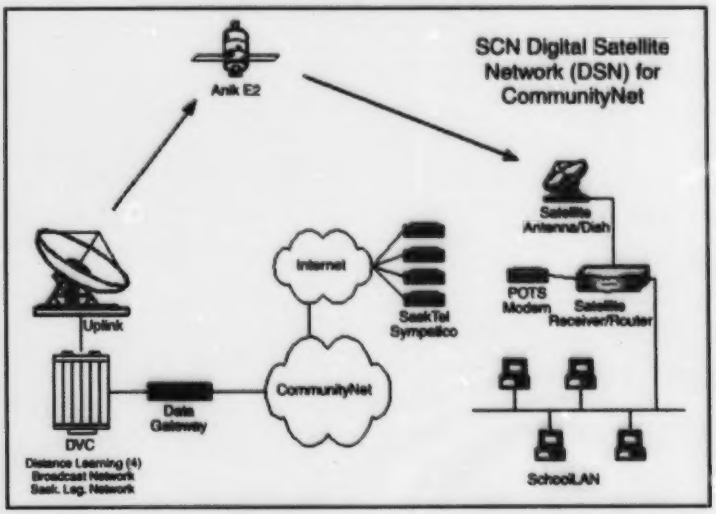


THE SCN BROADCAST SIGNAL The Broadcast Network signal originates from SCN's Master Control provided under contract from within the facilities of the University of Saskatchewan, Division of Media and Technology. Programming is distributed to the public on the basic tier of cable systems throughout Saskatchewan. SCN provides satellite receivers for cable companies in 256 Saskatchewan communities. The Broadcast Network is also carried on the Image Wireless cable system throughout the province, and the Star Choice and Bell ExpressVu direct-to-home satellite systems.

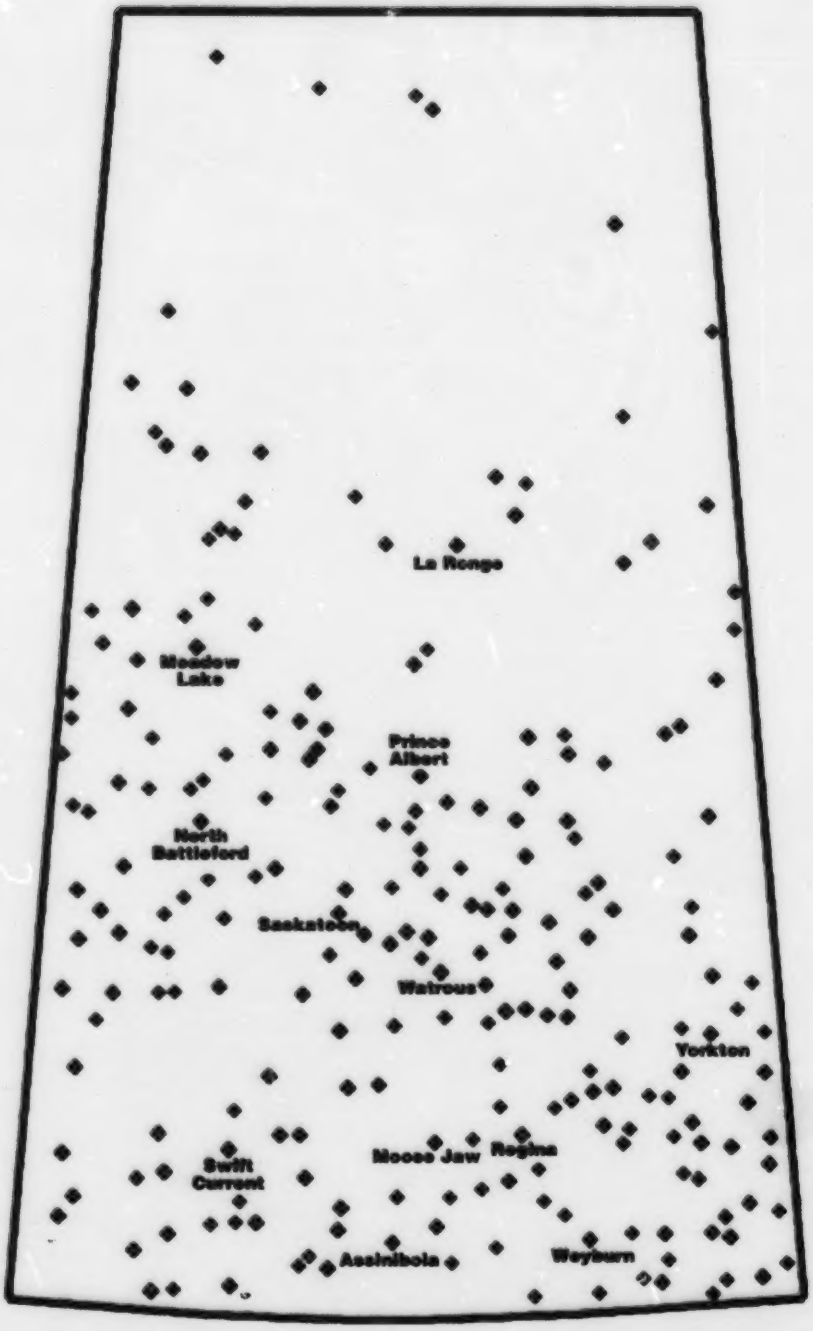
SCN'S DIGITAL SATELLITE NETWORK FOR COMMUNITYNET In February 2001, SCN, SPMC and ITO signed a three-year agreement to operate and support a data-over satellite service to the province's CommunityNet, the government initiative to bring high-speed networking to communities across Saskatchewan. The Digital Satellite Network (DSN) provides the CommunityNet-over satellite component of the larger network for up to 200 public sector agencies in communities where terrestrial connectivity is not economically feasible. The DSN uses a combination of satellite and telephone communications to provide Internet access to sites designated by the CommunityNet Management Committee. Downloaded data from the Internet is at "high-speed" via satellite, while uploaded data is through a telephone line into a dial-up connection.

Installation of CommunityNet DSN sites began in June 2001 and was completed on March 27, 2002, with a total of 192 sites installed.

All E-Learning and DSN receiving sites have access to SCN's Help Desk and Maintenance Plan, which provides technical support and cost-effective on/off-site repairs.



PROVINCIAL COVERAGE –
SCN E-LEARNING
AND DSN NETWORKS



Congratulations on 10 remarkable years! We recognize the important contribution SCN makes to the broadcasting scene in Canada...and we're confident our relationship will grow stronger in the future.

Albert Karvonen, President, Karvonen Films Ltd.

SCN COMMUNICATIONS

SCN Communications is responsible for developing communication and information strategies that facilitate the attainment of corporate goals and objectives.

The Communications office handles corporate print and advertising requirements, media and government relations, special event planning and a variety of other functions.

Communications also serves as the main point of contact between the Corporation, its networks and the public. Members of the public who desire information about SCN, who have comments on SCN programs or services, or who would like to make other inquiries about the Corporation are encouraged to contact SCN Communications at the addresses and numbers on the back cover.

10TH ANNIVERSARY TRIBUTE

2001 marked the 10th anniversary of the SCN Broadcast Network.

To celebrate, SCN hosted a reception during the Yorkton Short Film and Video Festival in Yorkton, Saskatchewan.

Friends, partners and stakeholders of SCN from across Canada attended the reception to toast SCN on its achievements. The evening also featured a farewell tribute to James Benning, long-time SCN President and CEO, who had announced his retirement in early May.

An enjoyable time was had by all, as the staff at SCN welcomed the opportunity to extend thanks to all involved in making the SCN Broadcast Network another Saskatchewan success story.

FORMER PRESIDENT AND CEO JIM BENNING ACCEPTS A PLAQUE FROM LANIS ANTHONY, PAST-PRESIDENT, SASKATCHEWAN MOTION PICTURE INDUSTRY ASSOCIATION (SMPIA)

SOME OF THE SCN CREW IN ATTENDANCE AT THE 10TH ANNIVERSARY CELEBRATIONS

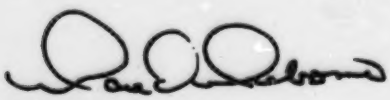
RESPONSIBILITY FOR FINANCIAL STATEMENTS

The financial statements for Saskatchewan Communications Network Corporation (SCN) have been prepared by the management of SCN in conformity with accounting principles generally accepted in Canada.

Preparation of financial information is an integral part of management's broader responsibilities for the ongoing operations of SCN. Management is responsible for the system of internal accounting controls to ensure that transactions are accurately recorded on a timely basis, properly approved, and result in reliable financial statements.

An audit committee, composed of members of the SCN Board of Directors, meets periodically with management and a team of independent auditors. These auditors have free access to this committee, without management present, to discuss the results of their audit work and their opinion on the adequacy of internal financial controls and the quality of financial reporting.

The financial statements have been examined and approved by the SCN Board of Directors. Independent auditors have performed an audit of SCN, which has enabled them to express their opinion on SCN's financial statements. This opinion is shown below.



David Debono
President and CEO

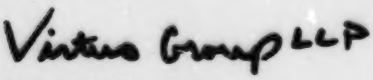
AUDITORS' REPORT

To the Members of the Legislative Assembly,
Province of Saskatchewan

We have audited the balance sheet of Saskatchewan Communications Network Corporation as at March 31, 2002, and the statements of revenue, expenses and retained earnings and cash flow for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2002, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



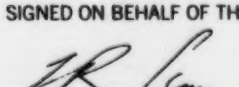
Chartered Accountants
May 7, 2002
Regina, Saskatchewan

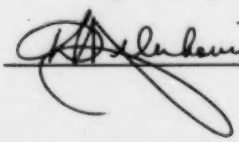
BALANCE SHEET AS AT MARCH 31, 2002

	2002	2001
ASSETS		
Current Assets		
Cash and cash equivalents	$1,311,044	$1,225,016
Accounts receivable and accrued interest	154,604	164,426
Inventory and prepaid expenses	201,238	97,277
	1,666,886	1,486,719
Capital Assets (note 3)	1,003,631	604,472
	$2,670,517	$2,091,191
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	594,062	531,563
Funds under administration (note 4)	55,424	128,835
Unearned revenue	516,063	15,000
	$1,165,549	$ 675,398
EQUITY		
Equity in capital assets (note 5)	1,003,631	604,472
Appropriated retained earnings – capital reserve (note 6)	200,000	200,000
Un-appropriated retained earnings	301,337	611,321
	1,504,968	1,415,793
	$2,670,517	$2,091,191

Commitments (note 7)

SIGNED ON BEHALF OF THE BOARD

 , Director

 , Director

see accompanying Notes to the Financial Statements

STATEMENT OF REVENUE, EXPENSES AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2002

	2002	2001
REVENUE		
Grant from the Government of Saskatchewan		
General Revenue Fund	$7,520,000	$7,557,000
Department of Education Grant	0	15,000
Interest	44,465	94,355
Satellite conferencing and channel rentals	228,691	82,384
Project administration	18,225	8,950
Miscellaneous	57,217	26,398
Transponder lease	0	177,779
Data transmission over satellite	504,142	0
	8,372,740	7,961,866
EXPENSES (note 11)		
Administration (note 10)	1,014,660	854,324
Program support	571,120	484,745
Program development and production costs	783,197	784,241
Program acquisition costs	2,009,081	1,906,358
Network distribution (note 10)	3,905,507	4,119,637
	8,283,565	8,149,305
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES FOR THE YEAR	89,175	(187,439)
UNAPPROPRIATED RETAINED EARNINGS – BEGINNING OF YEAR	611,321	546,996
Allocation (to)/from equity in capital assets (note 5)	(399,159)	201,764
Appropriation (to)/from capital reserve (note 6)	0	50,000
UNAPPROPRIATED RETAINED EARNINGS – END OF YEAR	$ 301,337	$ 611,321

see accompanying Notes to the Financial Statements

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2002

	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Grants received	$7,520,000	$7,557,000
Interest received	49,729	94,486
Fees received for goods and services	1,313,897	48,771
Net cash receipts (payments) for funds under administration	(73,413)	36,637
Cash payments to suppliers and employees	(7,719,334)	(7,653,985)
Cash flows from operating activities	1,090,879	82,909
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash payments for purchase of capital assets	(1,004,851)	(437,648)
Increase (decrease) in cash and cash equivalents	86,028	(354,739)
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	1,225,016	1,579,755
CASH AND CASH EQUIVALENTS – END OF YEAR	$1,311,044	$1,225,016
Cash and cash equivalents consist of:		
Short-term investments	498,416	495,339
Bank balances	812,628	729,677
CASH AND CASH EQUIVALENTS – END OF YEAR	$1,311,044	$1,225,016

See accompanying Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2002

1. STATUS OF CORPORATION

Saskatchewan Communications Advanced Network Authority (SCAN) was established by an order-in-council January 11, 1989, under the Crown Corporations Act, 1978. SCAN was continued as Saskatchewan Communications Network Corporation (SCN) under the Communications Network Corporation Act, 1990.

Through its interrelated networks, SCN provides the people of Saskatchewan with cost-effective educational, informational and cultural programming and training opportunities.

SCN's Broadcast Network began operations in 1991. Under licence from the Canadian Radio-television Telecommunications Commission (CRTC), the network delivers a variety of informational television programming that highlights the rich culture of the Saskatchewan region and Canada. SCN's E-Learning Network uses a variety of technologies to deliver credit classes to Saskatchewan communities and is available to organizations for satellite conferencing and professional development opportunities. SCN's Technology Services uses satellite technology to deliver SCN's interrelated networks; to provide high-speed Internet access to rural and remote communities for the provincial government's CommunityNet project; and broadcast the proceedings of the Saskatchewan Legislature throughout the province.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Inventory
Inventory, consisting of blank video tapes, is recorded at the lower of cost, determined on a first-in, first-out basis, and net realizable value. Inventory, consisting of receiver's satellite antennae and routers, is recorded at the lower of cost, determined on a weighted average, and net realizable value.

b) Capital assets
Capital assets are recorded at cost less accumulated depreciation. Depreciation is calculated as follows:

Office equipment and furniture	Declining Balance	30%
Uplink development	Declining Balance	30%
Computer hardware	Declining Balance	40%
TVs, VCRs, satellite dish and video receivers	Declining Balance	40%
Fax machines and audio conferencing units	Declining Balance	50%
Computer software	Declining Balance	60%
Network alignment	Straight Line	3 years
Data transmission equipment	Straight Line	3 years
Scheduling computer software	Straight Line	5 years
Network configuration	Straight Line	5 years
Office renovations and upgrades	Straight Line	6 years
Digital video compression equipment	Straight Line	7 years

c) Revenue recognition
Government contributions are recognized as revenue in the fiscal year in which the related expenses are incurred.

Other revenues are recognized when the related service is provided.

d) Program acquisition and production
Program acquisition and production costs are expensed as incurred.

3. CAPITAL ASSETS

The components of the capital assets as well as the related accumulated depreciation are:

	2002			2001
	COST	ACCUMULATED DEPRECIATION	NET BOOK VALUE	NET BOOK VALUE
Office equipment and furniture	$ 290,222	$ 183,617	$ 106,605	$ 24,341
Uplink development and network configuration	746,762	510,039	236,723	285,860
Computer hardware	410,872	350,244	60,628	45,926
TVs, VCRs, cameras, satellite dishes and receivers	515,795	494,677	21,118	29,316
Fax machines and conferencing units	75,087	61,410	13,677	19,631
Computer software	181,896	166,285	15,611	8,720
Digital video compression equipment	1,307,448	1,274,241	33,207	150,785
Data transmission equipment	893,771	377,709	516,062	39,893
	$4,421,853	$3,418,222	$1,003,631	$604,472

4. FUNDS UNDER ADMINISTRATION

The Corporation administers funds on behalf of related parties, in accordance with the terms of contracts between the Corporation and the related parties.

5. EQUITY IN CAPITAL ASSETS

	2002	2001
Balance – beginning of year	$ 604,472	$806,236
Allocation (to)/from retained earnings	399,159	(201,764)
Balance – end of year	$1,003,631	$604,472

6. CAPITAL RESERVE

This appropriation has been established to provide for the replacement and upgrading of satellite receivers and other technical equipment. Amounts may be transferred from the reserve on the authority of the Board of Directors.

	2002	2001
Balance – beginning of year	$200,000	$250,000
Allocation (to)/from retained earnings	0	(50,000)
Balance – end of year	$200,000	$200,000

7. COMMITMENTS

a) Productions
At March 31, 2002, the Corporation had commitments totaling $43,000 (2001 - $44,937) representing the estimated costs to complete productions in progress.

b) Broadcast and duplication rights
At March 31, 2002, the Corporation had commitments totaling $1,195,856 (2001 - $1,350,058) for the acquisition of broadcast and duplication rights.

c) Full-time satellite transponder
The Corporation has a contract for a full-time KuBand satellite transponder. The current price is guaranteed until the new satellite is launched, scheduled for spring 2003. The estimated cost for 2002/2003 is $1,466,033 (2001/02 - $1,466,033).

d) Head end contract
The Corporation has a contract with the University of Saskatchewan, a related party, for the operation of SCN's master control, tape duplication, packaging and promotional productions. A new five-year contract began April 25, 2001, with an annual commitment of $628,193 plus a yearly increase for inflation.

e) Backhaul contract
The Corporation has a month by month contract with SaskTel, a related party, for signal transportation services with a monthly commitment of $9,725.

f) Site licence to operate a telecommunication facility
The Corporation has a contract with the Canadian Broadcast Corporation (CBC) for a site licence to uplink the SCN signal. The contract cost for 2002/2003 is $48,000. The contract extends to August 31, 2005.

g) Property lease agreement
The Corporation has a contract with the Saskatchewan Property Management Corporation (SPMC), a related party, for the lease of accommodation space. The contract cost for 2002/2003 is $174,422. The contract extends to June 30, 2007.

h) Lease agreement for broadcast scheduling software
The Corporation has a contract with Specialty Data Systems Inc. for the lease of broadcast scheduling software. The contract cost for 2002/2003 is $33,333. The contact extends to April 30, 2004, with an option to renew to April 30, 2007.

8. RELATED PARTY TRANSACTIONS

All Government of Saskatchewan agencies such as departments, corporations, boards and commissions are related since all are controlled by the government.

Included in these financial statements are income and expense amounts resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan Crown-controlled departments, agencies and corporations with which SCN is related. The more significant of these are Saskatchewan post secondary Education and Skills Training, SaskTel, the universities, SIAST and the regional colleges. Account balances resulting from these transactions are included in the balance sheet and are settled on normal trade terms.

The following table summarizes SCN's major related party transactions that are in the normal course of operations. These transactions are recorded at exchange amounts agreed to by the related parties.

	2002	2001
REVENUES		
Saskatchewan Health for satellite conferences	$ 14,204	$ 16,101
Saskatchewan Social Services for satellite conferences	3,339	0
SPMC for data transmission over satellite	224,170	0
EXPENSES		
Administration		
SPMC for accommodation expense	158,454	96,362
SaskTel for telephone operating costs	36,584	27,303
Program development – universities, SIAST	660,000	659,125
Network distribution		
Regional colleges/SIAST for operation of E-Learning Network sites	874,500	874,500
SaskTel equipment purchases	0	42,125
SaskTel for video and audio signal transport services, and telephone operating costs	168,743	206,614
SPMC for backhaul	48,166	0
ACCOUNTS RECEIVABLE AT MARCH 31, 2002		
SaskTel for channel rent and data transmission trial	0	39,503
Legislative assembly for purchase of receivers	0	37,694
SPMC for data transmission over satellite	78,759	0
ACCOUNTS PAYABLE AT MARCH 31, 2002		
SaskTel for backhaul, uplink and telephone charges	16,634	81,227
Saskatchewan Health for satellite conferences	5,880	0

Other transactions with related parties, including their terms of settlement, are described separately in the financial statements and notes therein.

9. FINANCIAL INSTRUMENTS

The Corporation's recognized financial instruments consist of accounts receivable, accounts payable and funds under administration. The Corporation does not have any financial assets or financial liabilities which are not recognized in the financial statements.

a) Fair values
The fair values of the above noted financial instruments approximate their carrying value due to the short-term nature of these instruments.

b) Credit risk
The Corporation is exposed to credit risk from the potential default of customers. However, the majority of the Corporation's receivables are from related parties, other government corporations and agencies. Therefore the credit risk is minimal.

10. COMPARISON OF PLANNED AND ACTUAL RESULTS OF EXPENSES

	2002		2001
OPERATING EXPENSES	BUDGET	ACTUAL	ACTUAL
Administration	$ 841,353	$ 937,102	$ 792,966
Program support	479,844	571,120	484,745
Program development and production costs	1,086,000	783,197	784,241
Program acquisition costs	1,944,742	2,009,081	1,906,358
Network distribution	3,477,062	3,377,373	3,759,213
Reserve	95,450	0	0
Administration – depreciation	0	77,558	61,358
Network distribution – depreciation	0	528,134	360,424
Total	$7,924,451	$8,283,565	$8,149,305

	2002		2001
CAPITAL EXPENDITURES	BUDGET	ACTUAL	ACTUAL
Administration	$135,500	$ 176,087	$ 50,649
Network distribution			
– purchase	807,500	828,764	386,999
– asset re-valuation	0	0	(197,434)
Total	$943,000	$1,004,851	$240,214

11. CLASSIFICATION OF EXPENSES BY OBJECT

	2002	2001
Salaries (including benefits)	$1,626,854	$1,397,309
Communications	219,168	199,510
Administration – Operations	481,484	410,802
Programming – General	1,181,605	1,342,561
Programming – Educational	847,380	904,880
Other production and acquisition costs	527,998	443,158
Carriage	1,914,107	2,133,066
Regional college operational grants	874,500	874,500
Network operations	610,469	443,519
Total	$8,283,565	$8,149,305

Saskatchewan Communications Network (SCN)
2001-02 Payees

Listed are payees who received $20,000 or more for the provision of goods and services, including office supplies, communications, contracts and equipment

PAYEES	AMOUNT
4 Square Productions Canada Ltd	38,750.00
BBC Worldwide	36,700.00
Canadian Broadcasting Corporat	56,992.00
Capella Telecommunications Inc	28,945.53
Carlton Trail Regional College	99,000.00
CineGroupe Distribution Inc.	28,000.00
Cooper Rock Pictures Inc.	51,500.00
Cumberland Regional College	92,500.00
Cypress Hills Regional College	99,000.00
Exploration Production Inc.	48,700.00
Front	39,000.00
Granada International	64,800.00
Harmony Entertainment	25,410.90
Incredible Story Productions V	50,000.00
Jump.ca	20,743.14
Kaleidoscope Entertainment Inc	23,400.00
Key Sat	528,132.49
Lakeland College	49,722.50
McNabb & Connolly	26,100.00
MediaMax International	31,500.00
Minister of Finance	119,807.49
Nelvana Enterprises Inc.	28,600.00
North West Regional College	99,000.00
Northlands College	92,500.00
Omni Film Productions	53,000.00
Parkland Regional College	105,500.00
Partners in Motion	58,500.00
Prairie West Regional College	86,000.00
Saskatchewan Property Manageme	373,651.32
SaskTel	216,637.69
SIAST	265,948.40
Sound Venture International In	26,000.00
Southeast Regional College	105,500.00
Tap Communications Inc.	131,670.54
TD Visa	41,357.57
Telesat Canada	1,439,103.18
Third Wave Communications Inc.	23,400.00
Transwest Air	22,472.03
TVOntario	40,300.00
University of Regina	210,419.55
University of Saskatchewan	873,108.96
WebCT	48,333.35
World Affairs Television Produ	28,500.00
Payees Under $20,000	1,092,412.62
	$7,020,619.26

PAYEES	AMOUNT
Listed are individuals who received payments for salaries, benefits, honorariums, etc. which total $2,500 or more	
Allan, Rod	33,712.79
Benning, James	52,308.56
Bzdel, Brenda	41,221.78
Cameron, Stephen	9,248.06
Capili, Benison	53,249.57
Cardinal, Rhyse	37,450.26
Debono, David	90,585.94
Dewhirst, Linda	69,430.34
Ennis, Trevor	40,421.80
Gelowitz, Veronica	45,564.84
Glaze, Sunni	105,498.85
Gustin, Richard	100,463.70
Jarocki, Leanne	53,666.29
Johns, Jim	79,014.80
Jones, William	111,227.43
Kumar, Satinder	92,424.95
Lawson, Ron	70,591.12
Leach, Derek	3,544.80
MacDougall, Twyla	68,396.13
Magotiaux, Sean	36,141.79
Martyniuk, Myrna	80,508.45
Mindiuk, Dave	5,450.09
Moriarty, Terry	41,272.51
Norman, Brent	49,748.06
Rubin, Lila	43,926.03
Ryan, Peter	4,524.15
Schmidt, Jonathon	3,549.04
Sperlie, Devan	3,208.78
Stanchuk, David	86,989.08
Svedahl, Shelley	56,948.62
Towriss, Robert	11,223.06
Westmoreland, Cherie	74,850.31
Whelen. Sandy	18,342.48
Zander, Celeste	28,861.90
	$1,703,566.35
Total Payments	$8,724,185.61